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THE OUTLOOK FOR TUNISIA

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Concurred in by the

INTELLIGENCE ADVISORY COMMITTEE

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THE OUTLOOK FOR TUNISIA

THE PROBLEM

To assess prospects for Tunisian viability and stability, and to estimate the probable orientation and policies of Tunisia over the next few years.

CONCLUSIONS

1. Tunisian Premier Bourguiba is attempting to create a modern secular state oriented toward the West. He has the admiration and affection of the great majority of his people, but is faced with deteriorating economic conditions and incipient political opposition. The principal obstacles to the success of his policies are Tunisia's lack of natural resources and trained personnel, and the impact of the Algerian conflict. (*Paras. 7, 10, 13*)

2. Tunisia's economic difficulties will continue to be severe well beyond the period of this estimate. Annual foreign assistance on the order of \$75 million will be required to maintain even the current depressed economic level. Considerably larger sums would probably be needed to insure continuous modest improvement. (*Para. 11*)

3. The ramifications of the Algerian conflict pose a substantial threat to Tunisia's internal security and strain the country's relations with France. At present, there is a better than even chance that dis-

orders in Tunisia arising from this cause will not lead to a breakdown of government authority, though this estimate might be changed if the strife in Algeria were prolonged. Negotiation of a new relationship acceptable to both France and Tunisia is not likely while the Algerian conflict continues, and there will probably be a loosening of ties between the two countries. (*Paras. 18, 21, 23*)

4. Bourguiba probably will retain his dominant position over the next year or two, although some defections from his National Front are likely. Should he leave the political scene, his Neo-Destour Party probably would retain political power for some time. However, Tunisia is likely to experience increasing political instability unless it receives substantial external economic assistance. (*Paras. 14, 16-17*)

5. Continued difficulties with France will cause Tunisia to look increasingly toward the US for both financial and diplomatic support. The Tunisians are unlikely to seek aid from the Soviet Bloc as long as they can expect to receive it from the

SECRET

S E C R E T

2

West. However, Tunisia is likely to establish diplomatic relations and to expand commercial dealings with the Communist Bloc countries during the next year or

two. But those countries are unlikely to develop any significant influence in Tunisia over the next few years. (*Paras. 12, 26*)

DISCUSSION

6. Tunisia, which entered the UN last fall, has been an independent state since 20 March 1956. But it has made only limited progress toward overcoming its dependence on France. French-Tunisian relations are still governed to a considerable extent by arrangements made before France's recognition of Tunisian independence. The French have shown little disposition to meet Tunisian terms for new arrangements, largely from fear that their ability to protect their interests and nationals and to repress the Algerian rebellion would be greatly diminished. Significant restraints on Tunisia's freedom of action include its membership in the franc zone and its need for French financial aid, technicians, and administrators. The Tunisian government, headed by Prime Minister Habib Bourguiba — the terms are practically synonymous — thus has been seriously hampered in its attempts to deal with internal problems and gain an influential role for Tunisia in international affairs.

7. Nevertheless, Bourguiba has been able to initiate what amounts to a social revolution designed to change Tunisia from a traditional Moslem state into a modern secular one, without, however, directly challenging Islamic beliefs. The status of women has been improved; further polygamous marriages have been forbidden; lands held in religious trust have been nationalized; certain religious institutions of higher learning have been taken over by the state and given a Westernized curriculum. The general public reaction to these rather drastic measures so far has not been antagonistic. However, this situation may not persist unless Bourguiba can satisfy larger national aspirations by fulfilling his program for creation of a strong constitutional government capable of attacking fun-

damental domestic problems. The two outstanding obstacles confronting Bourguiba as he attempts to carry out his policies are the impact of the Algerian conflict and Tunisia's great poverty, especially the paucity of natural resources. These factors are basic and complicate all of Tunisia's problems.

8. *Economic Trends.* Two-thirds of Tunisia is virtually desert, and most of the remainder along the coastline is marginal agriculturally — yet agriculture supports 70 percent of the 3,800,000 people, and accounts for over half the national income. Extensive exploration has revealed generally modest mineral resources of phosphates, lead, and iron, a little natural gas, and thus far no petroleum. Drought and famine are recurrent; 45,000 tons of US relief wheat, as well as commercial imports, were required because of inadequate rainfall in 1956. On the other hand, there was a wheat surplus the previous year. Unemployment has reached a figure of about 400,000, approaching the number of employed wage-earners. Moreover, Tunisia's foreign trade consistently runs a deficit, amounting to a rough average of \$50 million over the past few years; about 75 percent of total trade is with France through a customs union and Tunisian participation in the franc zone.

9. Notwithstanding Tunisia's poor economic potential, the French government has put some \$400 million into the country during 1947–1956, mostly for large transport and irrigation projects in the north. These sums have made up past deficits in the Tunisian ordinary budget and have provided almost all the funds for the development budget, now programmed at an annual rate of \$50 million. This French public investment, together with civil and military expenditures and private

S E C R E T

S E C R E T

3

investment, has averaged about \$75 million annually over the last nine years.

10. The first year of independence has been one of continued economic deterioration. Unemployment and the cost of living are steadily rising; departures of French technicians are adversely affecting production; the population is increasing at a rate of two percent a year; and conservative estimates of capital flight during 1956 ran from \$15-30 million, while private capital inflow from France was sharply reduced. Further loss of capital is unlikely to be replaced from domestic savings and could greatly increase economic difficulties, especially the unemployment problem.

11. Tunisia's economic problems will continue to be severe well beyond the period of this estimate. Pending resumption of full-scale negotiations with Tunisia, the French have released only an estimated \$5 million of the approximately \$46 million of aid promised for 1956-1957. France has appropriated an equal sum for 1957-1958, but a considerable portion of this money may be spent for repatriation of French nationals who wish to leave the country. The Tunisians are to receive \$5.5 million in US loans and technical assistance during FY 1957, and have been offered an additional grant of \$3 million as a result of the Richards Mission. This latter offer is contingent on plans for its use by the Tunisians, but realistic planning is difficult since they are ignorant as to the actual total of foreign aid they will receive, and have had little time for such planning. In any event, an annual sum of about \$40 million of foreign investment, and an additional \$35 million of foreign exchange now provided by declining French civil and military expenditures will be required as a basic minimum for maintenance of present economic conditions. Considerably larger amounts would probably be needed to insure continuous modest economic improvement.

12. We believe that French aid is likely to decrease, and to be delivered only after prolonged bargaining, even though France will seek to maintain its economic ties with and interests in Tunisia as part of the "Eurafrica" policy. For their part, the Tunisians will be

inhibited in seeking alternative sources of aid by their close economic links with France. They will be forced to move slowly in attempting to diminish their dependence on French trade and assistance. However, if it becomes increasingly clear that France is not prepared to extend promised assistance, they will show less concern for French sensibilities. They are already pressing for increased aid from the US, and will probably intensify their efforts in spite of the expressed US intention to supplement rather than supplant French aid. The Tunisians are unlikely to look to the Soviet Bloc so long as they can expect to receive aid from the West. However, advantageous trade offers, technical assistance, or even small amounts of aid would probably be accepted if the Tunisians felt that this would not alienate Western sources, or would stimulate increased contributions from the West.

13. *Political and Internal Security Prospects.* Premier Bourguiba, who symbolizes the long and successful nationalist struggle for independence, is by far the most important factor in Tunisian life. His complex nature combines considerable intellectual capacity and political shrewdness with the prophetic quality of one who has led his people out of the wilderness, great sensitivity to emerging popular opinions, a seeming indifference to administrative detail, a realistic view of Tunisia's basic weaknesses, and an urge to become an international statesman. He has the admiration and affection of the great majority of his people, although he has no assurance that they fully support his policies. However, despite the advantages of his personal position, Bourguiba currently is faced with incipient political opposition from various quarters.

14. Bourguiba's foremost political problem is that of holding together the twin bases of his organized support: the Neo-Destour Party — of which he is the leader — and its labor ally, the Union Générale Tunisienne du Travail (UGTT), an ICFTU affiliate with about 150,000 members. These are the only political and labor organizations of any great size in Tunisia. Forming a National Front with various commercial groups and independents, Bourguiba's supporters won all 98 seats in

S E C R E T

SECRET

4

the Constituent Assembly elected in March 1956. Bourguiba assumed control of the government in April. The leadership of the highly-organized Neo-Destour consists of French-trained intellectuals and middle-class businessmen, the large majority of whom are Western-oriented. Some of these party figures, who also serve in the government, are becoming concerned about indications of public disillusionment with the results of independence and the consequent possibility of a setback in Neo-Destour popularity. Dissatisfaction within the UGTT over Tunisia's moderate economic programs and dependence upon French aid recently caused the government to arrange for the replacement of the UGTT leader, Ahmed ben Salah, with one more sympathetic to Bourguiba's policies. However, a major reversal of Neo-Destour and UGTT support for the government is unlikely in the near future, although there will probably be some defections. Greater opposition to the government probably will be expressed after the introduction of the new constitution — likely to be published within the next 12 months — which will provide for election of a legislative assembly.

15. At present, there are only a few weak political elements outside the National Front which are clearly opposed to the Bourguiba government. These elements include: (a) the entourage of the aged Bey, Tunisia's titular ruler, whose remaining power is rapidly being stripped away; (b) the conservative Old Destour Party, which has only strength enough for a "whispering campaign" against Bourguiba's Western orientation; (c) supporters of the extreme nationalist, Salah ben Youssef, whose prospects depend on the support of Egypt, where he remains in exile; and (d) the small Tunisian Communist Party (PCT), which has only a few hundred hard-core members. Although technically legal, the PCT has been declining in strength for several years; its small labor affiliate dissolved itself last year; and the Neo-Destour and UGTT have shown themselves ready and able to prevent any significant degree of Communist penetration. The domestic Communists are unlikely to make much headway over the

next few years unless economic conditions worsen greatly.

16. We believe that Bourguiba will maintain his dominant position over the next year or two, either as prime minister or — after abolishing the Bey's titular function — as head of a republican government. Although he will probably face increasing criticism from his cabinet colleagues, who are often irked by his lack of concern for their administrative problems, he is unlikely to be confronted with any major political challenge until formation of a legislative assembly. Even then it might be some time before an effective opposition could take shape. When it does, Bourguiba may seek to circumvent a critical assembly and maintain his power with more authoritarian measures. Should Bourguiba die or — as seems unlikely — resign his office, the Neo-Destour probably would retain political power for some time; it would probably have considerable success in preserving a balance between its conservative and radical elements, but eventually might come under extremist influence and adopt less friendly policies toward the West. In any case, Tunisia is likely to experience increasing political instability unless it can show a moderate degree of progress toward its objectives; substantial external aid will be a prerequisite to such progress.

17. In the event of political disorders, the Tunisian government has few forces with which to maintain internal security. These at present consist of an army of about 2,200 men (roughly one-third of whom form an honor guard for the Bey), and approximately an equal number of special security personnel with functions similar to the French Gendarmerie (which for the most part has been withdrawn from Tunisia). These Tunisian forces are poorly equipped and constitute a rather ineffective force, although their ability to perform their responsibilities in the face of widespread disorders remains largely untested. The Bourguiba government therefore is seeking a substantial increase in the numbers and capabilities of the army, and US assistance toward that end.

SECRET

S E C R E T

5

18. In the short term, the major threats to Tunisia's internal security arise out of the Algerian conflict. These include: the dangers involved in continued Tunisian official support for the Algerian rebels, the presence of large numbers of Algerian refugees in Tunisia, and the possibility of armed conflict between the *colons*¹ and the Tunisian populace. Bourguiba is aware of these dangers, and in particular is repeatedly urging the Algerian nationalists to negotiate with the French. At present, there is a better than even chance that disorders will not cause a breakdown of government authority. However, the situation might be substantially changed by prolonged and intensified strife in Algeria. In this situation, French troops might intervene.

19. *Relations with France.* Numerous efforts toward regularizing ties between France and Tunisia have been made since March 1956, but they have been largely negated by the ramifications of the Algerian problem. The presence of some 35,000-40,000 French armed forces in Tunisia has proved a particularly contentious issue. The French insist on keeping their approximately 25,000 troops in position to seal off parts of the Algerian border; and they hope to retain use of various air facilities as well as the naval base at Bizerte. However, Bourguiba is adamant that all French troops must be withdrawn to Bizerte before defense negotiations can progress.

20. A further problem is posed by the roughly 160,000 French *colons* remaining in Tunisia (over 20,000 have emigrated during the past year).² Tunisia is officially responsible for their security, but the *colons* constantly press for retention of the present level of French forces. Many of these settlers occupy privileged positions and perform vital services in Tunisia's economy and administration; Bourguiba wishes to retain the services of most of these settlers but to eliminate their special

privileges. Their continued emigration in substantial numbers — added to further departures of French civil service technicians — would prove a serious setback to Tunisia's efforts to cope with its economic problems.

21. Negotiation of a new relationship acceptable to both France and Tunisia is unlikely while the Algerian conflict continues. There may be occasional improvement in relations and piecemeal settlement of particular issues, but the future of the *colons* and of French interests is likely to remain uncertain. In these circumstances, the French community in Tunisia is likely to become increasingly bitter against the Bourguiba regime and demand more support from the French government. Without such additional support — which is unlikely to be extended — we believe the *colons* probably will not undertake more than isolated acts of violence. Over the long run, it appears inevitable that the *colons* will lose their special position, and that most of the best qualified of them will emigrate.

22. *Probable Tunisian Foreign Policies.* Premier Bourguiba has clearly, if not completely, identified himself with the Western world. He was among the first to applaud the US Middle East Doctrine, he has criticized Soviet actions in Hungary, and has condemned Egypt's Nasser for relying upon Soviet aid and for interfering in North African affairs. While Bourguiba appears to be convinced that Tunisia's interests are best served by identification with the West, he nevertheless is seeking to play a role out of proportion to his country's capacity and he expects to be rewarded by the West. Some of his colleagues are opposed to closer relations with the West, as against solidarity with the Arab East. Others are fearful that Tunisian sovereignty will be impaired by Bourguiba's policies. The premier responds to this criticism by making compensating gestures toward the Arab world from time to time. Nevertheless, he is involved with the West to the point where his domestic position could be seriously damaged by failure to obtain adequate Western aid.

23. Bourguiba's ability to promote Tunisia's national interest while adapting his policies to domestic political considerations has been

¹ We use the term to describe not merely the great landowners of French ancestry, but all settlers of European descent.

² These figures do not include Algerians residing in Tunisia, although nominally they are French. There are about 65,000 other European settlers (mostly Italian) in the area.

S E C R E T

S E C R E T

6

fully displayed in his dealings with France. He makes clear to the French his personal acceptance of their culture and the idea of close relations, but he supports the rebels in Algeria and criticizes French policy there. Public pressures prevent him from taking a more moderate stand regarding France and the Algerian issue. French-Tunisian relations thus are likely to undergo recurring crises so long as the Algerian conflict continues. There will probably be interludes during which negotiations may be completed on various problems, such as currency, technical programs, and cultural ties. But the impact of the Algerian struggle and the likely decrease in French financial aid will probably result in a continuous loosening of ties between France and Tunisia. Moreover, so long as large numbers of French troops remain in Tunisia, there may be further serious incidents embroiling French-Tunisian relations. On the other hand, France almost certainly will not attempt a military reoccupation of Tunisia unless the Tunisians become much more active in the Algerian war or prove unable to protect the *colons* in case of widespread attacks upon them.

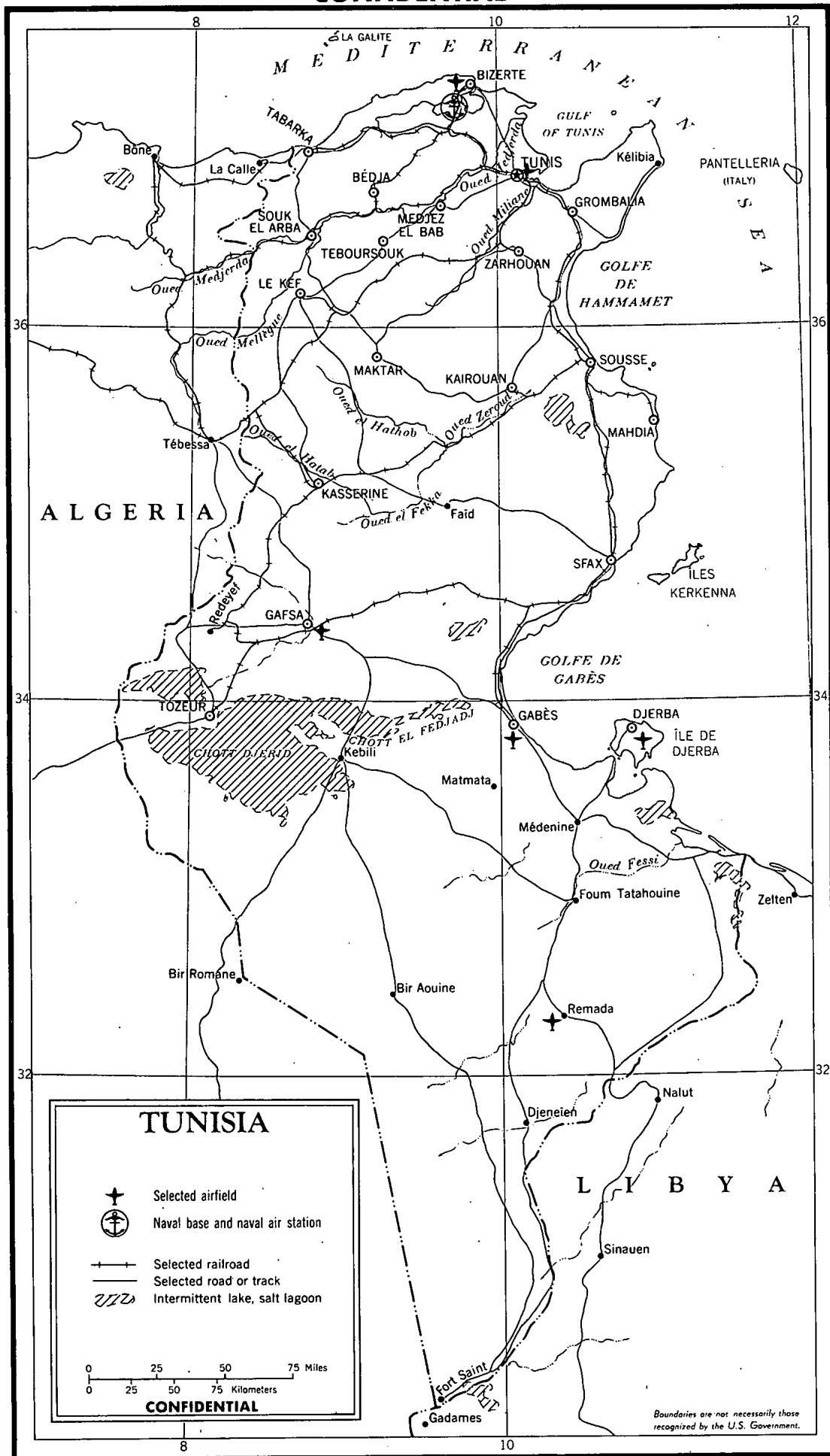
24. In his relations with African countries Bourguiba will continue his efforts to act as the sponsor of North African unity and of the fight against "colonialism." Initial moves toward a North African federation have been made by labor and student groups. Concrete political moves toward bringing Morocco, Algeria, Tunisia, and possibly Libya into a federal relationship are unlikely to succeed in the face of the present rivalry for leadership within the area. However, more limited special ties between these countries will probably emerge. Tunisia and Libya, for example, have already established closer relations. Both Morocco and Tunisia will compete for

the most influential role at pan-African conferences such as that sponsored by Ghana for next autumn.

25. Tunisia probably will strengthen its ties with the Middle Eastern states and eventually join the Arab League. As long as Bourguiba receives substantial Western aid, he will probably continue to speak as a pro-Western Arab leader and therefore come into public conflict with Nasser. He has already been antagonized by Nasser's encouragement of Salah ben Youssef, and by Egyptian attempts to gain influence in Tunisia and other North African states, particularly Libya. Thus, if Tunisia joined the Arab League, Bourguiba would probably align himself with Iraq on many issues, although he is likely to wish to avoid taking sides in existing Arab rivalries.

26. Continued difficulties with France will cause Tunisia to look increasingly toward the US both for financial and diplomatic support. In an effort to obtain increased aid, the Bourguiba government may even be willing to offer Tunisian territory as a site for US defense facilities. On the other hand, Tunisia's attitude toward NATO is shaped by the Algerian conflict. It is unlikely to favor membership in NATO while that conflict continues or so long as France insists on serving as primary intermediary. Membership in other Western organizations will be regarded by Tunisia in terms of the economic advantages that might thereby be gained. At the same time, Tunisia is likely to establish diplomatic relations and to expand commercial dealings with the Communist Bloc countries during the next year or two, partly to demonstrate its independence. While those countries are unlikely to develop any significant influence in Tunisia over the next few years, they may in the future do so if substantial progress is not made toward creation of a viable and stable Tunisian regime.

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